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Mexico

Sugar

Modifications to the Mexican Sugar Re-Export Program (IMMEX)

2008

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Report Highlights:

The Government of Mexico published in the Diario Oficial (Federal Gazette) on May 16, 2008 a modification to the Development of the Manufacturing, Maquila and Export Services Industries (IMMEX) that now requires food manufacturers who import sugar under the IMMEX program to export the final processed product process within six months of the date of purchase of the imported sugar. Before the sugar containing product had to be exported within eighteen months of the date of purchase.

Includes PSD Changes: No Includes Trade Matrix: No Trade Report Mexico City [MX1] **Introduction:** This report summarizes an announcement changing processing time of temporary sugar imports through IMMEX programs from the Secretariat of Economy published in Mexico's "Diario Oficial" (Federal Register) on May 16, 2008.

Disclaimer: This summary is based on a *cursory* review of the subject announcement and therefore should not, under any circumstances, be viewed as a definitive reading of the regulation in question, or of its implications for U.S. agricultural export trade interests. In the event of a discrepancy or discrepancies between this summary and the complete regulation or announcement as published in Spanish, the latter shall prevail.

Title: Decree that modifies the diverse for the Development of the Manufacturing, Maquila and Export Services Industry.

FAS/Mexico's Executive Summary: The Secretariat of Economy (SE) published on May 16, 2008 in the *Diario Oficial* (Federal Register) an announcement modifying the Decree for the Development of the Manufacturing, Maquila and Export Services Industries (IMMEX). Under IMMEX, which is the Mexican re-export program, companies can import sugar at international prices (historically below domestic prices) to incorporate into a production process in which the final product is exported. The modification now stipulates that these food manufacturers must process the imported sugar and export the sugar-containing product within six months of the date of purchase of the sugar, whereas before the sugar-containing product only needed to be exported within eighteen months of the date of purchase of the sugar. The modifications to the Decree are meant to limit the possibility of sugar imported through the IMMEX program reaching the domestic market. The following products are included:

H.T. SYSTEM	ITEM
1701.11.01	Sugar whose content of sucrose by weight, in the dry state, has a polarimeter reading equal or higher to 99.4, but less than 99.5 degrees.
1701.11.02	Sugar whose content of sucrose by weight, in the dry state, has a polarimeter reading equal or higher to 96, but less than 99.4 degrees.
1701.11.03	Sugar whose content of sucrose by weight, in the dry state, has a polarimeter reading less than 96 degrees.
1701.12.01	Sugar whose content of sucrose by weight, in the dry state, has a polarimeter reading equal or higher to 99.4 but less than 99.5 degrees.
1701.12.02	Sugar whose content of sucrose by weight, in the dry state, has a polarimeter reading equal or higher to 96, but less than 99.4 degrees.
1701.12.03	Sugar whose content of sucrose by weight, in the dry state, has a polarimeter reading less than 96 degrees.
1701.91.01	With scented or coloring additions
1701.99.01	Sugar whose content of sucrose by weight, in the dry state, has a polarimeter reading equal or higher to 99.5, but less than 99.7 degrees.
1701.99.02	Sugar whose content of sucrose by weight, in the dry state, has a polarimeter reading equal or higher to 99.7, but less than 99.9 degrees.

H.T. SYSTEM	ITEM
1701.99.99	Others.
1702.90.01	Liquid refined sugar and inverted sugar
1702.90.99	Others
1806.10.01	With a sugar content equal or higher to 90% in weight
2106.90.05	Scented syrups or with coloring additions

The SE will issue a decree to establish the specific requirements that must be complied with in order to carry out the temporary imports of the products described in the table.

Important Dates

Publication Date: May 16, 2008.
Effective Date: May 17, 2008

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